

P.S.C. KY. No. _____
Cancels P.S.C. KY. No. _____

Montgomery County Water District Number One

OF

Montgomery County

Camargo, KY

RATES, RULES, AND REGULATIONS FOR FURNISHING

Water Service

AT

Eastern Montgomery County

FILED WITH PUBLIC SERVICE COMMISSION OF

KENTUCKY

ISSUED April 14, 19 99 **EFFECTIVE** May 14, 19 99

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

ISSUED BY: Montgomery Co. Water District #1
(Name of Utility)

MAY 14 1999

BY: Robert Donaldson, Chairman

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

Robert Donaldson

FOR Montgomery Co. Water District #1
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

MONTGOMERY COUNTY WATER DISTRICT
(Name of Utility)

CONTENTS

Monthly Water Rates

First 2,000 gallons	\$14.98 minimum bill
Next 3,000 gallons	4.37 per 1,000 gallons
Next 5,000 gallons	3.83 per 1,000 gallons
All over 10,000 gallons	3.29 per 1,000 gallons
Wholesale Customer	1.75 per 1,000 gallons

DATE OF ISSUE April 7 2004
Month / Date / Year

DATE EFFECTIVE APRIL MAY 7 2004
Month / Date / Year

ISSUED BY U. Halling Jr.
(Signature of Officer)

TITLE Lucy B. Dean

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2004 - 00032 DATED MAY 7, 2004
APRIL

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

APR 07 2004

PURSUANT TO 807 KAR 5011
SECTION 9 (1)

BY [Signature]
EXECUTIVE DIRECTOR

FOR Camargo and surrounding area

P.S.C. KY. NO. II

SHEET NO. 2

CANCELLING P.S.C. KY NO. I

SHEET NO. _____

RULES AND REGULATIONS

PAGE 3	(1)	Scope
	(2)	Revisions
PAGE 4	(3)	Conflicts
	(4)	Application for Service
	(5)	Non-Standard Service
	(6)	Point of Delivery
PAGE 5	(7)	Customer Service Line
	(8)	Ownership of Mains, Services & Appurtenances
	(9)	Discontinuance of Service by District
PAGE 6	(10)	Billing
PAGE 7	(11)	Discontinuance of Service by Customer
	(12)	Reconnection Fee
PAGE 8	(13)	Deposit
	(14)	Adjustment Relative to Erroneous Meter
PAGE 9	(15)	Meters
	(16)	Failure of Water Meter
	(17)	Right of Access
PAGE 10	(18)	Interruption of Service
PAGE 11	(19)	Boiler and/or Pressure Vessels
	(20)	Back Flow Preventers
	(21)	Cross Connections
	(22)	Relocation of Water Facility
	(23)	Damage to District Water System
PAGE 12	(24)	Additional Load
	(25)	Notice of Trouble
	(26)	Water Main Extensions
PAGE 13	(27)	Complaints
PAGE 14	(28)	Sale of Water
PAGE 16		Appendix I
PAGE 18		Appendix II
PAGE 28		Equal Deposits
PAGE 29		Monitoring of Customer Usage
PAGE 31		Office Hours & Location
PAGE 32		Time Payment Plan Agreement
PAGE 33		How to Read Water Meter
PAGE 34		Sample Water Bill
PAGE 35		How to Read Your Water Bill

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 13 1996

FURSUANT TO 207 KAR 5.011,
SECTION 9 (1)

BY James E. Neal
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE August 13, 1996
MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996
MONTH DATE YEAR

ISSUED BY Tom Daniel
SIGNATURE OF OFFICER

Chairman

TITLE

4406 Camargo Rd., Mt. Sterling,
KY
ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. _____

Montgomery County Water District #1

SHEET NO. 3

CANCELLING P.S.C. KY NO. II

SHEET NO. _____

RULES AND REGULATIONS

These Rules and Regulations govern the furnishing of water service by Montgomery County Water District #1 hereinafter referred to as the District and apply to all service received from the District. No employee and/or individual Commissioner of the District is permitted to make an exception to these Rates, Rules or Regulations. These Rules and Regulations are to be in effect so long as they are not in conflict with the Kentucky Public Service Commission's Rules and Regulations (KAR 5:076). The District is subject to all Rules and Regulations of the Kentucky Public Service Commission even though not contained herein. Each residence, business, commercial entity or apartment building that has more than one unit under the same roof or within the same structure must have a separate meter and pay applicable hook-up fees for each. Additionally, each individually metered unit shall receive a minimum bill. For purposes of this regulation, "unit" shall be defined as a separately housed individual, residential, business, commercial or industrial unit.

1. SCOPE

This Schedule of Rules and Regulations is a part of all contracts for receiving water service from the District, and applies to all service received from the District whether the service is based upon contract, agreement, signed application, or otherwise. A copy of this schedule, together with a copy of the District's Schedule of Rates and Charges shall be kept open to inspection at the office of the District. The Rules are promulgated under direction and authority grant pursuant to Chapter 5 of Kentucky Administrative Regulations (KAR 807 5). The aforesaid rules and regulations are hereby adopted and included in same as if herein written.

2. REVISIONS

These Rules and Regulations may be revised, amended supplemented or otherwise changed from time to time by either of the two (2) following methods:

- A. By order of the Kentucky Public Service Commission upon formal application by the District, and after hearing as provided by Commission Regulation set for in 807 KAR 5:011. PUBL. COMMISSION
KY
- B. By issuing and filing on at least twenty (20) days notice to the Kentucky Public Service Commission and the Public all proposed changes in the Rules and Regulations, as provided by Commission Regulations set forth in 807 KAR 5:011. IVE
MAR 04 2002

PURSUANT 807 KAR 5:011,
SECTION 9 (1)

BY: Stephan Bue
SECRETARY OF THE COMMISSION

DATE OF ISSUE February 4, 2002
MONTH DATE YEAR

DATE EFFECTIVE March 4, 2002
MONTH DATE YEAR

ISSUED BY Robert Donaldson
SIGNATURE OF OFFICER

Chairman 4406 Camargo Road, Mt. Sterling, KY 40353

TITLE

ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. _____

II

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SHEET NO. _____

Montgomery County Water District #1

CANCELLING P.S.C. KY NO. _____

SEP 13 1996

SHEET NO. 4

PURSUANT TO 807 KAR 5.011

RULES AND REGULATIONS

BY: Robert Donaldson
FOR THE PUBLIC SERVICE COMMISSION

3. CONFLICTS

In case of conflict between any provisions of any rate schedule and the schedule of rules and regulations, the rate schedule shall apply. Also, should the rules contained herein conflict with rules in effect under 807 KAR 5, the provisions of 807 KAR 5 shall take precedence over those contained herein.

4. APPLICATION FOR SERVICE

Any person, firm agency or governmental entity within the current boundary of the District may request service. Applications for service must be in writing on a form approved by the District.

Each applicant for service shall be requested to execute and sign the District's standard application for water service before service is supplied by the District. Under Kentucky Public Service Commission Order, dated September 1, 1981, Case Number 8248, a 5/8 inch by 3/4 inch meter shall be the standard customer service meter and should be installed at all points of service unless the customer provides sufficient justification for the installation of a larger meter.

5. NON STANDARD SERVICE

Each prospective customer requiring a non standard service (i.e., other than a 5/8" x 3/4" meter) shall present to the District sufficient justification for same. Insofar as prospective customer requirement may meet those non standard service presently in effect by District same be applied.

6. POINT OF DELIVERY

The point of delivery is the point where the meter or vault is located. All water lines, plumbing, and equipment beyond the meter shall be installed and maintained by the customer. The District reserves the right to determine the location of point of delivery with full regard to those wishes of the prospective customer.

DATE OF ISSUE July 13, 1996

MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

ISSUED BY

Robert Donaldson
SIGNATURE OF OFFICER

Chairman
TITLE

4406 Camargo Rd., Mt. Sterling, KY
ADDRESS

FOR Camargo and surrounding area

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

P.S.C. KY. NO. II

SHEET NO. 5

Montgomery County Water District #1

CANCELLING P.S.C. KY NO. I

SEP 13 1996

SHEET NO. _____

PURSUANT TO 207 KAR 5011,

SECTION 3 (1)

RULES AND REGULATIONS

BY: Tom Daniel
FOR THE PUBLIC SERVICE COMMISSION

7. CUSTOMER SERVICE LINE

All service lines beyond the metering point should be installed of material consisting of copper, galvanized, PVC, or PE pipe with rating not less than 200 psi. The size of service lines beyond the point of delivery should not be less than 3/4 inch.

Should an applicant for service desire a higher pressure due to this location or need, he may make provision for an individual pressure booster system. The manner of connection, location cross-connection protection and type is subject to approval by the District. The District reserves the right to require discontinuance and disconnection should the private booster system have a detrimental effect on the District's system.

8. OWNERSHIP OF MAINS, SERVICES & APPURTENANCES

All mains, fire hydrants, valves, crossings and other appurtenances are and shall remain the property of the District, whether installed by the District or the customer. When the above is installed by a developer, customer or customers, the above shall become the property of the District after one year of operation.

All service lines from main to meter with appurtenances shall be and remain the property of the District, whether installed by the District or the customer.

The customer shall own and maintain his service line from meter and/or point of delivery as defined herein.

9. DISCONTINUANCE OF SERVICE BY DISTRICT

Water service may be discontinued by the District for any violation of any rule, regulation, or condition, and especially for any of the following reasons, after proper notification:

a. Misrepresentation in the application or contract as to the property or fixtures to be supplied or additional use to be made of water, with 10 days notice.

DATE OF ISSUE	<u>August 13, 1996</u>	DATE EFFECTIVE	<u>September 13, 1996</u>
	MONTH DATE YEAR		MONTH DATE YEAR
ISSUED BY	<u>Tom Daniel</u>	Chairman 4406 Camargo Rd.	Mt. Sterling, Ky
	SIGNATURE OF OFFICER	TITLE	ADDRESS

FOR Camargo and surrounding area

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE P.S.C. KY. NO. II
SHEET NO.

Montgomery County Water District #1

CANCELLING P.S.C. KY NO.

SEP 13 1996

SHEET NO. 6

PURSUANT TO 807 KAR 5011,

SECTION 9(1)

RULES AND REGULATIONS

BY Robert Donaldson
FOR THE PUBLIC SERVICE COMMISSION

- b. Resale of water.
- c. Waste or misuse of waste due to improper or imperfect service pipes and/or failure to keep such pipes in a suitable state of repair.
- d. Tampering with meter, meter seal, service, or valves, or permitting such tampering by others, pursuant to 807 KAR 5.006, Section 13 (3) (g).
- e. Connection, cross connection, or permitting the same, of any separate water supply to premises which receive water from the District.
- f. Non payment of bills, pursuant to 807 KAR 5:006, Section 12, (1) f, PSC Rules and Regulations and Section 10 of MCWD#1 Regulations.
- g. When a dangerous condition is found to exist on the customer's or applicant's premises, with reference to the continuation of water service, water service shall be cut off without notice or shall be refused, provided the District shall notify the customer or applicant immediately of the reasons for the discontinuance or refusal and the corrective action to be taken by the applicant or customer before service can be restored.

10. BILLING

Bills and notices relating to the conduct of the business of the District will be mailed to the customer at the address listed on the "Users Agreement" unless a change of address has been filed in writing with the District; and then the District shall not otherwise be responsible for delivery of any bill or notice nor will be the customer be excused from the payment of any bill or any performance required in said notice.

Bills for water service are due and payable at the office of the District, or to any designated agent on the date of issue. The past due date shall be the tenth (10th) day after the date of issue. Bills will be dated and mailed on or about the 30th of each month.

DATE OF ISSUE July 13, 1996
MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996
MONTH DATE YEAR

ISSUED BY Robert Donaldson
SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd., Mt. Sterling, KY
TITLE ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

PUBLIC SERVICE COMMISSION SHEET NO.

OF KENTUCKY

EFFECTIVE

CANCELLING P.S.C. KY NO.

SHEET NO. 7

SEP 13 1996

PURSUANT TO RULES AND REGULATIONS

SECTION 9(1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

A bill not paid on or before the past due date shall be deemed delinquent. When a bill has been delinquent for a period of five days, the District shall serve the delinquent customer a written final notice of said delinquency, and of the intent of the District to discontinue service five days after the date of such notice unless such bill is paid prior to the expiration of such five days. If a delinquent bill is not paid within five days after date of such final notice (five days from the final notice) the water supply to the customer may be disconnected without further notice, provided, however, if, prior to discontinuance of service, there is delivered to the District, or its employee empowered to discontinue service, a written certificate signed by a doctor, a registered nurse, or a public health officer that, in the opinion of the certifier, discontinuance of service will aggravate an existing illness or infirmity of the affected premises, service shall not be discontinued until the affected resident can make other living arrangements or until 30 days elapse from the time of the District receipt of said certified person, whichever occurs first.

11. DISCONTINUANCE OF SERVICE BY CUSTOMER

Any customer having fulfilled their contract terms and desiring to discontinue the water service to their premises for any reason, must give notice of discontinuance in writing, in person, or by telephone, at the business office of the District at least 3 days prior to the date on which the customer desires to discontinue service.

12. RECONNECTION FEE

When the water supply to the customer has been discontinued for non payment of delinquent bills, a charge of \$20.00 will be made for reconnection of water service, but the reconnection will not be made until all delinquent bills and other charges, in any, owed by the customer to the District have been paid in full.

DATE OF ISSUE July 13, 1996
MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996
MONTH DATE YEAR

ISSUED BY Robert Donaldson Chairman 4406 Camargo Rd., Mt. Sterling, KY
SIGNATURE OF OFFICER TITLE ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SHEET NO.

Montgomery County Water District #1

CANCELLING P.S.C. KY NO.

SEP 13 1996

SHEET NO. 8

PURSUANT TO 807 KAR 5011.

RULES AND REGULATIONS

13. DEPOSIT

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

The District reserves the right to require that a nominal amount be placed on deposit with the District for the purpose of establishing or maintaining any customers' credit. The deposit will not exceed 2/12 of the customers' estimated annual bill, not to exceed \$50.00. Upon payment of deposit, the District shall issue to the customer a certificate of deposit, showing the name of the customer, the location of the initial premises occupied by the customer, and the date and amount of the deposit.

Interest will be paid on deposits as required by law, on an annual basis, either by refund or credit to the customer's bill, except that not refund or credit will be made if the customer's bill is delinquent on the anniversary date of the deposit.

14. ADJUSTMENT RELATIVE TO ERRONEOUS METER

If upon periodic test, request test, or compliant test, a meter in service is found to be more than two percent fast, additional tests shall be made to determine the average error of the meter. Said tests shall be made in accordance with commission regulations applicable to the type of meter involved.

a. If test results show an average error greater than two percent fast or slow, or if a customer has been incorrectly billed for any other reason the utility shall immediately determine the period during which the error has existed, and shall recompute and adjust the customers bill to either provide a refund to the customer or collect an additional amount of revenue from the underbilled customer. The utility shall re-adjust the account based upon the period during which the error is known to have existed. If the period during which the error existed cannot be determined with reasonable precision, the time period shall be estimated using such data as elapsed time since the last meter test, if applicable, and historical usage data for the customer. If that data is not available, the average usage of similar customer loads shall be used for comparison purposes in calculating the time period. If the customer and the utility are unable to agree on an estimate of the time period during which the error existed, the Public Service Commission shall determine the issue. In all instances of overbilling, the

DATE OF ISSUE July 13, 1996

MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

ISSUED BY Robert Donaldson
SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd., Mt. Sterling, KY
TITLE ADDRESS

FOR Camargo and surrounding area

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

P.S.C. KY. NO. II

SHEET NO. 9

Montgomery County Water District #1

CANCELLING P.S.C. KY NO.

SEP 13 1996

SHEET NO. 9

PURSUANT TO 807 KAR 5:011,

RULES AND REGULATIONS

BY Robert Donaldson
FOR THE PUBLIC SERVICE COMMISSION

customer's account shall be credited or the overbilling amount refunded at the discretion of the customer within 30 days after the final meter test results. Customer re-payment of underbilling will not be made over a period shorter than a period coextensive with the underbilling.

b. If the result of such tests shows an average error greater than two percent slow, the customer's bill for the period during which the meter error is known to have existed, shall be recomputed and the account adjusted on the basis of the test. If the period during which the meter error existed cannot be determined, then the bill will be adjust pursuant to 807 KAR 5:006, Section 10.

c. If the result of such test necessitates making a refund or back billing a customer, the customer shall be notified in writing of the percentage of error, fast or slow, the date of testing; meter identification number, and the amount of charge or credit to be shown on the next bill of the customer.

15. METERS

All meters shall be installed, renewed, and maintained at the expense of the District, and the District reserves the right to approve the size and type of meter used. It shall be the policy of the District to test each water meter pursuant to Public Service Commission Regulation 807 KAR 5:066, Section 16. In addition, upon written request of any customer, the meter servicing such customer shall be tested by the District, pursuant to Public Service Commission Regulation 807 KAR 5:006, Section 10.

16. FAILURE OF WATER METER

When a meter is found to be in error, the customers bill will be adjusted in accordance with Section 14 herein per Kentucky Public Service Commission Regulation 807 KAR 5:006, Section 10. When a meter has ceased to register, the District will estimate the monthly bill of the customer for the month that the meter is replaced. The estimated bill will be based upon the previous six months average.

DATE OF ISSUE July 13, 1996

MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

ISSUED BY

Robert Donaldson
SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd., Mt. Sterling, KY

TITLE

ADDRESS

FOR Camargo and surrounding area

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

P.S.C. KY. NO. II

SHEET NO. 10

CANCELLING P.S.C. KY NO. I

Montgomery County Water District #1

SEP 13 1996

SHEET NO. _____

PURSUANT TO 207 KAR 5011,

RULES AND REGULATIONS

BY: James C. Daniel
FOR THE PUBLIC SERVICE COMMISSION

17. RIGHT OF ACCESS

The customer must agree to permit the District to lay, maintain, repair, or remove its water lines that are located on the customers property with the right on ingress and egress over the customers property. The District's duly authorized representative and/or other duly authorized employees of the State Health Department bearing proper credentials and identification shall be permitted to enter all properties for the purpose of inspection, observation, measurement, sampling and testing in accordance with the provisions of these Rules and Regulations.

18. INTERRUPTION OF SERVICE

The District shall use reasonable diligence in supplying water service, but shall not be liable for loss, injury or damage to persons or property resulting from interruptions in service, excessive or inadequate water pressure. The District does hereby explicitly state that its system is one for rural domestic consumption and that its allowance of connection to its system for fire protection whether by design or implication is only for such benefit as a customer may be able to derive from such connection.

The District's system is not designed nor intended for use for fire protection in any manner whatsoever. Any customer using same for fire protection does so at their own full and sole responsibility.

The District shall in no event be held responsible for any claim made against it by reason of breaking of any mains or service pipes or by reason of any other interruption of the supply of water caused by the failure of machinery or stoppage for necessary repairs. No person shall be entitled to damages nor for any portion of a payment refunded for any interruption of service which in the opinion of the District may be deemed necessary.

The District shall make all reasonable efforts to eliminate interruption of service and when such interruptions occur, will endeavor to restore service with the shortest possible delay. When the service is interrupted, all customers affected by such interruption will be notified in advance whenever it is possible.

DATE OF ISSUE August 13, 1996
MONTH August DATE 13 YEAR 1996

DATE EFFECTIVE September 13, 1996
MONTH September DATE 13 YEAR 1996

ISSUED BY Tom Daniel
SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd., Mt. Sterling, KY

TITLE

ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SHEET NO. 11

Montgomery County Water District #1

CANCELLING P.S.C. KY NO. I

SEP 13 1996

SHEET NO. _____

PURSUANT TO 8/7 KAR 5011,

RULES AND REGULATIONS

BY: Charles C. Paul
FOR THE PUBLIC SERVICE COMMISSION

19. BOILERS AND/OR PRESSURE VESSELS

Customers having boilers and/or pressure vessels receiving a supply of water from the District must have a check valve on the water supply line and a vacuum valve on the steam line to prevent collapse in case the water supply from the District is discontinued or interrupted for any reason, with or without notice. It is the responsibility of the customer to make provisions for protection of their equipment in case of interrupted or intermittent service.

20. BACK FLOW PREVENTORS

Special Services and Fire connections shall have back flow preventors of a type approved by the District, installed at the cost of the customer or applicant for service.

21. CROSS CONNECTIONS

Kentucky Department of Health, Kentucky Public Service Commission and these Rules and Regulations do hereby explicitly state that cross connection of the District's system with any other source is hereby prohibited.

22. RELOCATION OF WATER FACILITY

The District may, at the request of a customer or other person, relocate, change or modify existing District owned equipment, mains or appurtenances. Same shall reimburse District of such changes at actual cost including administrative, engineering and overhead cost.

23. DAMAGE TO DISTRICT WATER SYSTEM

No person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface, or tamper with any structure, appurtenance, or equipment which is a part of the District's water works. Any person violating this provision shall be subject to immediate arrest and/or discontinuation of water service and shall pay the cost of repairing or replacing the pipe or appurtenance.

DATE OF ISSUE August 13, 1996
MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996
MONTH DATE YEAR

ISSUED BY

Tom Daniel
SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd., Mt. Sterling, KY

TITLE

ADDRESS

Montgomery County Water District #1

SEP 13 1996

CANCELLING P.S.C. KY NO. _____

PURSUANT TO 807 KAR 5011,
SECTION 9 (1)

SHEET NO. 12

BY: *Jordan C. Neal*
FOR THE PUBLIC SERVICE COMMISSION

RULES AND REGULATIONS

Any person, firm or organization involved in work around or near the District's distribution mains or appurtenances may request the District to indicate location of same. However, indication by the District of same does not relieve such person of complete responsibility and liability for any and all damages, liability and loss resulting from any act of such person or his assigns and/or agent.

24. ADDITIONAL LOAD

The service connection supplied by the District for each customer has a definite capacity, and no addition to the equipment or load connected thereto will be allowed except by consent of the District. Failure to give notice of additions or changes in load, and to obtain the District's consent for same, shall render the customer liable for any damage to any of the District's lines or equipment caused by the additional or changed installation.

25. NOTICE OF TROUBLE

The customer shall notify the District immediately should the service be unsatisfactory for any reason, or should there be defects, trouble or accidents affecting the supply of water.

26. WATER MAIN EXTENSIONS

Any person desiring an extension to the District system shall request in writing, in a form approved by the District, for such extension. Any requested extension may be provided under on the following option:

OPTION - Applicant may construct and donate to District, the extension, as a contribution in aid of construction, meeting all District's specifications and approval. District reserves the right to stipulate applicable engineering, legal and administrative factors. Applicant shall pay all cost of District as a contribution in aid of construction. Any extension made under this option shall not be eligible for refund.

In all cases, applicants must execute a contract and agreement for line extensions on a form approved by the District.

Extender applicant is hereby notified of all other rules, rates and schedules of fees applicable to size and type of service requested shall be paid in addition to cost of extension.

DATE OF ISSUE July 13, 1996

MONTH DATE YEAR

DATE EFFECTIVE

September 13, 1996

MONTH DATE YEAR

ISSUED BY

Robert Donaldson
SIGNATURE OF OFFICER

TITLE

ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

SHEET NO.

CANCELLING P.S.C. KY NO.

SHEET NO. 13

RULES AND REGULATIONS

27. COMPLAINTS

Complaints may be made to the office clerk of the system whose decision may be appealed to the District Commissioners. Such appeal shall be in writing within ten days of date of decision by operator, stating the nature of the complaint and supporting evidence. Decisions of the District Commissioners or office manager may be brought before the Public Service Commission in accordance with 807 KAR 5:006, Section 9.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 13 1996

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: Jordan C. Neal
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE July 13, 1996
MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996
MONTH DATE YEAR

ISSUED BY Robert Donaldson Chairman 4406 Camargo Rd., Mt. Sterling, KY
SIGNATURE OF OFFICER TITLE ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SHEET NO. 14

Montgomery County Water District #1

CANCELLING P.S.C. KY NO.

SEP 13 1996

SHEET NO. 14

PURSUANT TO 807 KAR 5.011

RULES AND REGULATIONS

BY: Gordon C. Madsen
FOR THE PUBLIC SERVICE COMMISSION

28. SALE OF WATER

Special charges may be assessed to the customer for returned checks, meter re-reads, and meter tests at the specified charges shown below:

a. A charge of \$10.00 will be made for each check returned to the District by the bank.

b. A charge of \$10.00 will be made to re-read meter at the customers request unless such re-read reveals that the initial reading was erroneous. No charge shall be made if the initial reading was erroneous.

c. A charge of \$30.00 will be made for a meter test when such test is made at the customers request unless the meter is found to be faulty. No charge will be made for a faulty meter, but appropriate adjustments shall be made in accordance with Section 10 of the Rules and Regulations.

29. SPECIAL USER AGREEMENTS FOR NON STANDARD SERVICE

Each applicant for non standard service shall execute to the District an agreement for special service.

SCHEDULE OF SPECIAL SERVICE CHARGES

The following charges for special services shall be made:

1. SERVICE RE-CONNECTION CHARGE. A charge of \$20.00 shall be made for all service re-connections made during regular working hours, except that there shall be no connection charges made for services on the original installation of facilities.

2. METER READING RE-CHECK CHARGE. A charge of \$10.00 shall be made for a trip to re-check a meter reading when the customer request the meter to be re-checked for a correct reading and the meter was not misread.

DATE OF ISSUE July 13, 1996

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

MONTH DATE YEAR

ISSUED BY Robert Donalbano

Chairman 4406 Camargo Rd., Mt. Sterling, KY

SIGNATURE OF OFFICER

TITLE

ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

SHEET NO. 15

CANCELLING P.S.C. KY NO. I

SHEET NO.

Montgomery County Water District #1

RULES AND REGULATIONS

3. METER TEST. Upon request and payment of \$40.00 a customer may have his meter tested, provided request by the customer is not more frequent than once each twelve months. If such test shows the meter to be more than 2% fast, a refund of the \$40.00 charge shall be made and the bill adjusted accordingly. If the periodic testing requirement of 807 KAR 5:066 (17) has not been met for the meter tested, no charge will be made for the test regardless of the results of the test.

4. PSC METER TEST COMPLAINT. Any customer of the District may request a meter test by written application to the Kentucky Public Service Commission.

5. CONTRIBUTION IN AID OF CONSTRUCTION. The established contribution fee is based on the size of the installed metering equipment as noted below:

5/8 inch meter - - - \$600.00

1 inch meter - - - \$625.00

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 13 1996

PURSUANT TO 807 KAR 5011
SECTION 9(1)

BY: [Signature]
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE August 13, 1996

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

MONTH DATE YEAR

ISSUED BY

Tom Daniel
SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd., Mt. Sterling, KY

TITLE

ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

SHEET NO. 16

CANCELLING P.S.C. KY NO. I

SHEET NO.

Montgomery County Water District #1

RULES AND REGULATIONS

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

APPENDIX I

**Rules and Regulations of
Montgomery County Water District #1**

SEP 13 1996

807 KAR 5:066. Water

Section 12. Extension of Service

1. Normal Extension:

An extension of fifty feet or less shall be made by a utility to its existing distribution main without charge for a prospective customer who shall apply for contract to use service for one year or more provides a guarantee for such service.

2. Other Extensions:

a. When an extension of the utility's main to serve an applicant or group of applicants amounts to more than fifty feet per applicant, the utility may, if not inconsistent with its filed tariff, require the total cost of the excessive footage over fifty feet per customer to be deposited with the utility by the applicant or the applicants, based on the average estimated cost per foot of the total extension.

b. Each customer receiving service under such extension will be reimbursed under the following plan: each year for a period of not less than ten years, which for the purpose of this rule shall be the refund period, the utility shall refund to the customer or customers who paid for the excessive footage, the cost of fifty feet of the extension expense for each additional customer connected and whose service line is directly connected to the main installed and not to extensions or laterals therefrom, but in no case shall the total amount refunded exceed the amount paid the utility. After the end of the refund period, no refund will be required to be made.

3. An applicant desiring an extension to a proposed real estate subdivision may be required to pay the entire cost of the extension. Each year for a period of not less than ten years, the utility shall refund to the applicant who paid for the extension a

DATE OF ISSUE August 13, 1996

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

MONTH DATE YEAR

ISSUED BY

SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd., Mt. Sterling, KY

TITLE

ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

SHEET NO. 17

CANCELLING P.S.C. KY NO. I

SHEET NO.

Montgomery County Water District #1

RULES AND REGULATIONS

sum equal to the cost of fifty feet of the extension installed for each additional customer connected during the year, but in no case shall the total amount refunded exceed the amount paid to the utility. After the end of the refund period from the completion of the extension, no refund will be required to be made.

4. Nothing contained herein shall be construed to prohibit the utility from making extensions under different arrangements, provided such arrangements have been approved by the Commission.

5. Nothing contained herein shall be construed as to prohibit a utility from making at its expense greater extensions than herein prescribed, should its judgement so dictate, provided like free extensions are made to other customers under similar conditions.

6. Upon complaint to and investigation by the Commission, a utility may be required to construct extensions greater than fifty feet upon a finding by the Commission that such extension is reasonable.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 13 1996

PURSUANT TO 807 KAR 5011.
SECTION 9(1)

BY: [Signature]
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE August 13, 1996

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

MONTH DATE YEAR

ISSUED BY

[Signature]
SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd. Mt. Sterling, KY

TITLE

ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

SHEET NO. 18

CANCELLING P.S.C. KY NO. I

SHEET NO.

Montgomery County Water District #1

RULES AND REGULATIONS

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

APPENDIX II
Rules and Regulations
Montgomery County Water District #1

SEP 13 1996

WATER SHORTAGE RESPONSE PLAN

PURSUANT TO 807 KAR 5011,
SECTION 9 (1)

BY: Gordon L. Neal
FOR THE PUBLIC SERVICE COMMISSION

Section 1. Purpose

The purpose of this Plan is to provide for the declaration of official phases of water supply shortages and the implementation of voluntary and mandatory water conservation measures throughout the District in the event a shortage is declared.

Section 2. Definitions

These terms are applicable only for this Plan unless specifically noted.

a. "Customer" shall mean any person or entity using water for any purpose from the District water distribution system and for which either a regular charge is made or, in the case of bulk sales, a cash charge is made at the site of delivery.

b. "Raw Water Supplies" shall mean all water potentially available to persons in the District.

c. "Treated Water" shall mean water that has been introduced by the District into its water distribution system, including water offered for sale.

Uses of treated water are classified as follows:

Essential Water Uses (Class I):

The following uses of water, listed by site or user type, are essential.

DOMESTIC

Water necessary to sustain human life and the lives of domestic pets, and to maintain minimum standards of hygiene and sanitation.

DATE OF ISSUE August 13, 1996

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

MONTH DATE YEAR

ISSUED BY

Tom Danell
SIGNATURE OF OFFICER

Chairman

TITLE

4406 Camargo Rd., Mt. Sterling, KY

ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

SHEET NO. 19

CANCELLING P.S.C. KY NO. I

SHEET NO.

RULES AND REGULATIONS

HEALTH CARE FACILITIES

Patient care and rehabilitation, including related filling and operation of swimming pools.

WATER HAULING

Sales of domestic use where not reasonably available elsewhere.

PUBLIC USE

Fire fighting.

Health and public protection purposes, if specifically approved by health officials.

SOCIALLY OR ECONOMICALLY IMPORTANT USES (Class 2):

The following uses of water, listed by site or user type, are socially or economically important.

DOMESTIC

Personal, in house water use including kitchen, bath and laundry.

WATER HAULING

Non-domestic, when other sources are not reasonably available elsewhere.

COMMERCIAL AND CIVIC USE

Commercial car and truck washes.

Laundromats.

Restaurants, clubs and eating establishments.

Schools, churches, motel/hotels and similar commercial establishments.

SEP 13 1996

PURSUANT TO KRS 501.1
SECTION 5 (1)

BY: James L. Hall
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE August 13, 1996

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

MONTH DATE YEAR

ISSUED BY

Tom Danell
SIGNATURE OF OFFICER

Chairman

TITLE

4406 Camargo Rd., Mt. Sterling, KY

ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

SHEET NO. 20

CANCELLING P.S.C. KY NO. I

SHEET NO. _____

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Montgomery County Water District #1

RULES AND REGULATIONS

SEP 13 1996

OUTDOOR NON-COMMERCIAL WATERING

Minimal watering of vegetable gardens.

Minimal watering of trees where necessary to preserve them.

OUTDOOR COMMERCIAL OR PUBLIC WATERING (using conservation methods and when other sources of water are not available or feasible to use)

Agricultural irrigation for the production of food and fiber or the maintenance of livestock.

Watering by arboretums and public gardens of national, state, regional or community significance where necessary to preserve specimens.

Watering by commercial nurseries at a minimum level necessary to maintain stock.

Watering at a minimum rate necessary to establish or maintain revegetation or landscape plantings required pursuant to law or regulation.

Watering of woody plants where necessary to preserve them.

Minimal watering of golf course greens.

RECREATIONAL

Operation of municipal swimming pools and residential pools that service more than 25 dwelling units.

AIR CONDITIONING

Refilling for start-up at the beginning of the cooling season.

Makeup of water during the cooling season.

DATE OF ISSUE August 13, 1996

DATE EFFECTIVE September 13, 1996

MONTH August DATE 13 YEAR 1996

MONTH September DATE 13 YEAR 1996

ISSUED BY Tom Daniel
SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd., Mt. Sterling, KY

TITLE

ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

SHEET NO. 21

CANCELLING P.S.C. KY NO. I

SHEET NO. _____

RULES AND REGULATIONS

Refilling specifically approved by health officials where the system has been drained for health protection or repair services.

NON ESSENTIAL USES (Class 3)

Any waste of water, as defined herein, in non essential. The following uses of water, listed by site or user type, are non essential.

PUBLIC USE

Use of fire hydrants (excluding Class 1 and Class 2 uses), including use of sprinkler caps, testing fire apparatus and fire department drills.

Flushing of sewer and hydrants, except as needed to ensure public health and safety, as approved by health officials.

COMMERCIAL AND CIVIC USE

Serving water in restaurants, clubs, or eating places except by customer request.

Failure to repair a controllable leak.

Increasing water levels in scenic and recreational ponds and lakes, except for the minimum amount required to support fish and wildlife.

ORNAMENTAL PURPOSES

Fountains, reflecting pools and artificial waterfalls.

OUTDOOR NON COMMERCIAL WATERING

Use of water for dirt control or compaction.

Watering of annual or non-woody plants, lawns, parks, golf course fairways, playing fields and other recreational areas.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 13 1996

PURSUANT TO KRS 207.501
SECTION 8(1)

BY J. Daniel
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE August 13, 1996

MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

ISSUED BY

Tom Daniel
SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd., Mt. Sterling, KY

TITLE

ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

SHEET NO. 22

CANCELLING P.S.C. KY NO. I

SHEET NO.

Montgomery County Water District #1

RULES AND REGULATIONS

Washing sidewalks, walkways, driveways, parking lots, tennis courts or other hard surface areas.

Washing down building or structures for purposes other than immediate fire protection.

Flushing gutters or permitting water to run or accumulate in any gutter or street.

OUTDOOR COMMERCIAL OR PUBLIC WATERING

Expanding nursery facilities, placing new irrigated agricultural land in production, or planting of landscaping except when required by a site design review process.

Use of water for dirt control or compaction.

Water of lawns, parks, golf course fairways, playing fields, and other recreational areas.

Washing sidewalks, walkways, driveways, parking lots, tennis courts or other hard surface areas.

Washing down building or structures for purposes other than immediate fire protection.

Recreational uses other than those specified in Class 2.

Non-commercial washing of motor or other vehicles.

AIR CONDITIONING (see Class 2 purposes)

Refilling cooling towers after draining.

d. "Base Entitlement" shall mean the monthly usage for a customer during the same month of the preceding calendar year or the average per customer usage for each class of service during the same month of the preceding year.

e. "Curtailed Entitlement" shall mean the monthly usage for a customer after any curtailment percentage has been applied.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 13 1996

PURSUANT TO KRS 202.0011,
202.0012

BY Robert L. Daniel
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE August 13, 1996

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

MONTH DATE YEAR

ISSUED BY

Tom Daniel
SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd., Mt. Sterling, KY

TITLE

ADDRESS

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

P.S.C. KY. NO. _____

II

SHEET NO. 23Montgomery County Water District #1CANCELLING P.S.C. KY NO. I

SEP 13 1996

SHEET NO. _____

PURSUANT TO 207 KAR 5011,

SECTION 4(1)

RULES AND REGULATIONSBY Tom Daniel
FOR THE PUBLIC SERVICE COMMISSION

f. "Curtailment" shall mean the reduction of entitlement by some percentage to meet anticipated water shortages.

g. Water Shortage Response Phases:

ADVISORY - shall mean that conditions exist which indicate the potential for serious raw or treated water supply shortages.

ALERT - shall mean the raw or treated water supplies are consistently below seasonal averages, and if they continue to decline, may not be adequate to meet normal needs.

EMERGENCY - shall mean that raw or treated water supplies are below the level necessary to meet normal needs and that serious shortages exist in the area.

h. RATIONING - shall mean that procedures must be established to provide for the equitable distribution of critically limited raw or treated water supplies, in order to balance demand and limited available supplies, and to assure that sufficient water is available to preserve public health and safety.

Section 3. APPLICABILITY - The provisions of this Plan shall apply to all retail and wholesale customer of the District. When implemented, this Plan becomes the Montgomery County Water District #1 Water Shortage Response Regulation.

Section 4. ENTITLEMENTS - Entitlements shall be established for each customer by adjusting the base entitlement to reflect any known change in usage pattern.

Section 5. DETERMINATION OF WATER SHORTAGE - Water supply and usage shall be monitored on a continuous basis. Unrestricted demand shall be projected from past records and adjusted for changes such as new development and weather conditions on a regular basis. Water shortages generally occur for two reasons, a reduction in available supplies or a system failure. Each of these has a distinct influence on the nature and duration of the conservation program implemented. Official declaration of a water shortage stage and implementation of the measures necessary to curtail water usage shall be approved by the Commissioners.

DATE OF ISSUE August 13, 1996

MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

ISSUED BY

SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd., Mt. Sterling, KY

TITLE

ADDRESS

FOR Camargo and surrounding area

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

P.S.C. KY. NO. _____

II

SHEET NO. 24

Montgomery County Water District #1

SEP 13 1996

CANCELLING P.S.C. KY NO. I

SHEET NO. _____

PURSUANT TO 807 KAR 50TT,
SECTION 9 (1)

BY: **RULES AND REGULATIONS**

FOR THE PUBLIC SERVICE COMMISSION

Section 6. TERM OF WATER SHORTAGE DECLARATION - Any water shortage declaration shall remain in effect until water supplies or service conditions have returned to normal. A final determination as to terminating water shortage declaration shall be made by the Commissioners of Montgomery County Water District #1.

Section 7. WATER SHORTAGE STAGE, CONSERVATION & CURTAILMENT MEASURES

A. Advisory Stage:

1. Criteria: A water advisory shall be declared when the amount of treated or raw water available for treatment is projected to be up to 20% below demand or there are periods of water system failure or inadequacies or the State Division of Water issues a Water Shortage Watch which includes the areas from which the District draws water.

2. Conservation & Curtailment Measures:

- a. Declare a Water Shortage Advisory.
- b. Provide proper notice to all customers and to all local news media.
- c. Eliminate all water leaks.
- d. Request voluntary conservation of all non-essential (Class 3) water use.
- e. Request wholesale customers also issue request for voluntary conservation by their customers of all non-essential (Class 3) water use.

B. Alert Stage:

1. Criteria: A water alert shall be declared when the amount of treated water available is projected to be up to 30% below demand, or raw water supplies are consistently below seasonal averages and if they continue to decline, may not be adequate to meet normal needs.

DATE OF ISSUE August 13, 1996

MONTH DATE YEAR

DATE EFFECTIVE

September 13, 1996

MONTH DATE YEAR

ISSUED BY

Tom Daniel
SIGNATURE OF OFFICER

Chairman

TITLE

4406 Camargo Rd., Mt. Sterling, KY

ADDRESS

FOR Camargo and surrounding area

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

P.S.C. KY. NO. _____

II

SHEET NO. 25

Montgomery County Water District #1

CANCELLING P.S.C. KY NO. I

SEP 13 1996

SHEET NO. _____

PURSUANT TO KY KRS 5011,
SECTION 8(1)

RULES AND REGULATIONS

2. Conservation and Curtailment Measures:

- a. Declare a Water Shortage Alert.
- b. Provide proper notice to all customers and to all local news media.
- c. Eliminate all water leaks.
- d. Prohibit all non-essential (Class 3) customers.
- e. Curtail entitlements to all customers by the same percentage as the projected shortage.
- f. Begin billing all customers water usage in excess of curtailed entitlement at the normal rate plus and excess usage charge of \$5.00 per 1,000 gallons.

C. Emergency Stage:

1. Criteria: A Water Emergency shall be declared when the amount of treated water available is projected to be up to 40% below demand, or there are periods of no water in one or more areas of the distribution system, due to low water supply or raw water supplies below the level necessary to meet normal needs.

2. Conservation and Curtailment Measures:

- a. Declare Water Shortage Emergency.
- b. Provide proper notice to customers and to all local news media.
- c. Eliminate all water leaks.
- d. Prohibit all Class 3 uses of water.
- e. Prohibit all Class 2 uses of water, except domestic uses for kitchens, bathrooms, and laundries.
- f. Curtail all commercial and industrial entitlements (except Health Care Facilities) by 100%.
- g. Curtail Residential entitlements by the same percentage as the projected shortage.
- h. Curtail entitlements to all wholesale customers by the same percentage as the project shortage.
- i. Begin billing all customers water usage in excess of curtailed entitlements at the normal rate plus an excess usage charge of \$8.00 per 1,000 gallons.

D. Rationing Stage:

DATE OF ISSUE August 13, 1996

MONTH DATE YEAR

DATE EFFECTIVE

September 13, 1996

MONTH DATE YEAR

ISSUED BY

Tom Daniel
SIGNATURE OF OFFICER

Chairman

TITLE

4406 Camargo Rd., Mt. Sterling, KY

ADDRESS

FOR Camargo and surrounding area

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

P.S.C. KY. NO. II

SHEET NO. 26

Montgomery County Water District #1

SEP 13 1996

CANCELLING P.S.C. KY NO. I

SHEET NO.

PURSUANT TO 007 KAR 50.11,
SECTION 9(1)

BY RULES AND REGULATIONS

FOR THE PUBLIC SERVICE COMMISSION

1. Criteria - Treated water available is greater than 60% below demand or raw water supplies are below the level necessary to meet essential needs, and in the opinion of the Chairman and Commissioners of the District, mandatory rationing is required to insure adequate water is available to maintain public health and safety.

2. Conservation and Curtailment Measures -

a. Declare Water Shortage Rationing.

b. Provide proper notice to all customers and to all local news media.

c. Eliminate all water leaks.

d. Prohibit all Class 3 and Class 2 uses of water.

e. Curtail all commercial and industrial entitlement (except Health Care Facilities) by 100%.

f. Curtail all residential and wholesale entitlements by the same percentages as the project shortage.

g. Implement service interruptions to portions of the system in accordance with approved published schedule. The schedule shall be provided to all local media.

h. Begin billing customers water usage in excess of curtailment entitlement at the normal rate plus an excess charge of \$10.00 per 1,000 gallons.

Section 8. ENFORCEMENT OF WATER RESTRICTION - Any person who violates the provisions of this Plan, who fails to carry out the duties and responsibilities imposed by this Plan or who impedes or interferes with any action undertaken or ordered pursuant to this Plan shall be subject to the following:

a. If the utility official charged with implementation and enforcement of this Plan learns of any violation of any water use restriction imposed, a written notice of the violation shall be affixed to the property where the violation occurred and mailed to the customers of record. Said notice shall describe the violation and order that it be corrected within 48 hours.

b. The notice will inform the customer of his or her right to appeal by requesting a hearing before the utility's designee. If a hearing is requested by the customer, he or she shall be given full opportunity to be heard before termination. The governing

DATE OF ISSUE August 13, 1996

MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

ISSUED BY Tom Daniel

SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd., Mt. Sterling, KY

TITLE

ADDRESS

FOR Camargo and surrounding area

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

P.S.C. KY. NO. II

SHEET NO. 27

Montgomery County Water District #1

CANCELLING P.S.C. KY NO. I

SEP 13 1996

SHEET NO.

PURSUANT TO 607 KAR 5011,
SECTION 9(1)

BY **RULES AND REGULATIONS**

FOR THE PUBLIC SERVICE COMMISSION

body shall make findings of fact and decide whether service should continue or terminate.

c. Any customer whose water service is terminated for violating provisions of this water curtailment plan shall be subject to the approved reconnection fee prior to reconnection of service.

d. The excess usage charge billing provisions of the Plan shall not be put in effect if a county or city ordinance containing penalty provisions is in effect to assist enforcement of this Plan.

Section 9. REQUEST FOR EXCEPTION -

a. Exception to water use restrictions: If compliance with any curtailment measure authorized herein would cause a customer to bear extraordinary hardship, that individual or entity may apply to the District for an exception. For these purposes, "Extraordinary Hardship" shall be defined as a condition which may threaten health and safety, or cause property or economic losses, each of which must be shown to be substantially more severe than the sacrifices borne by other users. If extraordinary hardship is found to exist, then an exception shall be granted and a written waiver issued to the customer. If an appeal is made, water service shall be continued until a decision is announced. Any person aggrieved by the decision may file a complaint with the Public Service Commission.

b. Exception to curtailment surcharge: Exceptions to excess use charges shall not be considered or granted.

Section 10. SEVERABILITY - If any provisions of this Plan is declared invalid by the courts, the remainder of this Plan and its applicability to other persons and circumstances shall not be affected by that declaration.

Section 11. EFFECTIVE DATE - This Plan shall take effect immediately upon approval by the Public Service Commission.

DATE OF ISSUE August 13, 1996

MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

ISSUED BY

Tom Daniel
SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd, Mt. Sterling, KY

TITLE

ADDRESS

Form for filing Rate Schedules

For Camargo and surrounding area
Community, Town or City

P.S.C. NO. _____

SHEET NO. _____

Montgomery County Water District #1
Name of Issuing Corporation

CANCELLING P.S.C. NO. _____

SHEET NO. _____

CLASSIFICATION OF SERVICE

	RATE PER UNIT
<p>CALCULATED DEPOSITS</p> <p>All customers of each classification shall pay an equal deposit not to exceed 2/12 of that particular classification's average annual bill. Deposits will be applied to the final bill of any customer who discontinues service and the remaining balance of the deposit, if any, will be refunded. Interest on deposits will be paid at the rate earned by the utility. A receipt for the deposit will be issued in accordance with 807 KAR 5:006 Section 7 (4).</p>	

DATE OF ISSUE January 6, 1999

DATE EFFECTIVE February 6, 1999

ISSUED BY Robert Donaldson
Name of Officer

TITLE Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky
in Case No. _____ dated _____.

FOR Camargo and surrounding area

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

P.S.C. KY. NO. II

SHEET NO. 29

Montgomery County Water District #1

CANCELLING P.S.C. KY NO. I

SEP 13 1996

SHEET NO. _____

PURSUANT TO 807 KAR 50.11,
SECTION 8.13

RULES AND REGULATIONS

BY Tom Daniel
FOR THE PUBLIC SERVICE COMMISSION

MONITORING OF CUSTOMER USAGE

At least once annually the District will monitor the usage of each customer according to the following procedure:

1. The customers annual usage for the most recent 12 month period will be compared with the annual usage for the 12 months immediately preceding that period.
2. If the annual usage for the two periods are substantially the same, or if any difference is known to be attributed to unique circumstance, such as unusual weather conditions, common to all customers, no further review will be done.
3. If the annual usage differs by 3% or more and cannot be attributed to a readily identified common cause, the District will compare the customers monthly usage records for the 12 month period with the monthly usage for the same months of the preceding year.
4. If the cause for the usage deviation cannot be determined from analysis of the customers meter reading and billing records, the District will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume, or known leaks in the customers service line.
5. Where the deviation is not otherwise explained, the District will test the customers meter to determine whether it shows an average error greater than 2% fast or slow.
6. The District will notify the customers of the investigation, the findings, and any refunds or backbilling in accordance with 807 KAR 5:006, Section 10, (4) and (5).

In addition to the annual monitoring, the District will immediately investigate usage deviations brought to its attention as a part of the ongoing meter readings and billing process or customer inquiry.

REQUIREMENTS FOR SERVICE LINE FROM THE METER TO RESIDENCE OR PLACE OF BUSINESS

1. Service lines should be at least thirty inches in depth. The first six inches of backfill should be minus of rock.
2. All service tubing will be at least 3/4 inch in size and at

DATE OF ISSUE August 13, 1996

MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996

MONTH DATE YEAR

ISSUED BY

Tom Daniel
SIGNATURE OF OFFICER

Chairman

4406 Camargo Rd., Mt. Sterling, KY

TITLE

ADDRESS

FOR Camargo and surrounding area

P.S.C. KY. NO. II

SHEET NO. 30

CANCELLING P.S.C. KY NO. I

SHEET NO.

Montgomery County Water District #1

RULES AND REGULATIONS

least 200 PSI. If a larger line needs to be run, the District has the right to explain the reason and purpose of same.

3. A cut off valve will be installed outside the meter vault for your use. The valve inside the valve box is for Water District persons only.

4. A Watts Number 7 Back Flow Preventer is to be placed on your line at any connection for yard hydrant or service lines to other fixtures. These backflow preventers are to protect your hot water heater elements from burning out in case of a leak or shut off of the District lines and to protect you from any contamination that may happen on your premises.

5. Brass fittings will be used when connecting to the meter, valves and regulator. The regulator is an option that we leave up to the customer. We are required to furnish 35 psi at the meter connection, not to exceed 150 psi. A water employee can give you the approximate pressure at your location.

6. The service line shall be left open for the inspection of the Water District and the Montgomery County Plumbing Inspector.

7. Any deviation from these rules must be approved by the Water District and the Plumbing Inspector of Montgomery County.

8. After the proper inspection has been approved, the water meter will be placed in the meter box.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 13 1996

PURSUANT TO KRS 201.601
SECTION 2(1)

BY [Signature]
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE August 13, 1996
MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996
MONTH DATE YEAR

ISSUED BY Tom Daniel
SIGNATURE OF OFFICER

Chairman 4406 Camargo Rd., Mt. Sterling, KY

TITLE

ADDRESS

FOR Camargo and surrounding area
P.S.C. KY. NO. II
SHEET NO.
CANCELLING P.S.C. KY NO.
SHEET NO. 31

Montgomery County Water District #1

RULES AND REGULATIONS

OFFICE HOURS & LOCATION

1. Meters are read every month between the 16th and the 23th.
2. Bills are mailed the last working day of each month. All bills are due and payable by the 20th of each month. Delinquent notices are sent with a 5 day notice to pay all bills.
3. Complaints should be made in writing or in person at the office, located 4406 Camargo Road, Mt. Sterling, KY 40353. Telephone 606-498-0521. All complaints (if not handled in the office) will be presented to the Chairman and Commissioners of the district.
4. Principal place of business: 4406 Camargo Road, Mt. Sterling, Ky 40353. Office located on US 460 East. All bills are payable to the above address. This address is also on the water bills. Office hours are from 9 a.m. to 4 p.m., Monday thru Friday, the office is not closed for lunch. An answering machine will take messages and leaves an emergency number for the customer to reach someone after hours and on the weekends.
5. Our water district employees will make every effort to read the meters each month. If we have to estimate the readings, we will only estimate twice a year, and will not estimate the readings for two consecutive months. In the case of severe or extreme weather conditions we will seek counsel from PSC as to what our options are regarding the reading of meters.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 13 1996

PURSUANT TO KRS 601.1,
SECTION 8 (1)

BY: James C. Neal
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE July 13, 1996
MONTH DATE YEAR

DATE EFFECTIVE September 13, 1996
MONTH DATE YEAR

ISSUED BY Robert A. Donaldson Chairman 4406 Camargo Rd., Mt. Sterling, KY
SIGNATURE OF OFFICER TITLE ADDRESS

Montgomery County Water District

Number One
Mt. Sterling, Ky. 40353

4406 Camargo Road

Phone 498-0521

TIME PAYMENT PLAN AGREEMENT

DATE _____

NAME _____

ADDRESS _____

ACCOUNT NUMBER _____

TOTAL AMOUNT OF BILL DUE _____

I, the undersigned, agree to pay weekly monthly the amount of _____
on the unpaid balance. I also agree to pay the actual water bill monthly along
with this extra amount as stated above.

I also understand that if my bills are not paid in accordance with this agreement,
service will be disconnected. I also understand a returned check will result in
disconnection of service.

Customer

Date

Montgomery County Water District #1
by: _____

Date

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 17 1996

PURSUANT TO KRS 501.1
SECTION 10

BY: [Signature]
FOR THE PUBLIC UTILITY BOARD, P.U.B.

HOW TO READ YOUR WATER METER

GALLONS

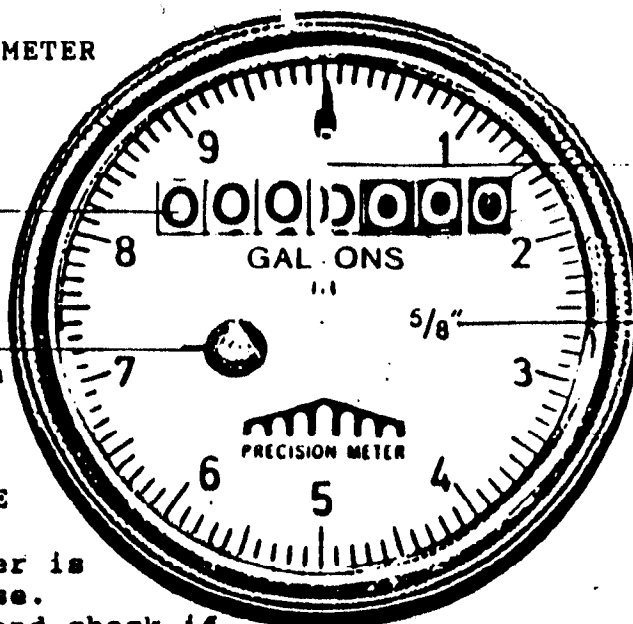
Leak Detector

This triangle tells you
if you have a leak.

HOW TO TELL IF YOU HAVE
A LEAK

Make sure all your water is
turned off in your house.

Then go to your meter and check if
this TRIANGLE is moving. If it is moving then you have a leak somewhere
between the meter and your house.



GALLONS
EXAMPLE

			5	1	7	3
--	--	--	---	---	---	---

This reads--51,730
The painted (0) zero
the end is stationary
it does not move,
is included in the
reading.

PUBLIC SERVICE COMMISSION
OF NEW YORK
BROOKLYN

SEP 13 1996

PURSUANT TO P.S.D. 115.0011
(SECTION 8.1)

BY: *[Signature]*
FOR THE COMMISSIONER

Sample Water Bill

AAAAAAAAA
 XXXXXXXX Montgomery Co. Water District #1
 XXXXXXXX 4406 Camargo Road
 XXXXXXXX Mt. Sterling, KY 40353
 XXXXXXXX ADDRESS CORRECTION
 XXXXXXXX 606-498-0521

FIRST CLASS MAIL
 U.S. POSTAGE PAID
 Mt. Sterling, KY
 PERMIT NO. 145

ACCOUNT NO.	AMOUNT	CODE	READING DATE	PREVIOUS READING	CURRENT READING	USAGE	UC	MR	AMOUNT
XXXXXXXXXX									

NET BILL
DUE NOW

GROSS AMOUNT DUE
AFTER DUE DATE

NET BILL DUE NOW

GROSS BILL
 DUE AFTER
 ENTER
 READING
 RETURN STUB WITH PAYMENT

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE

SEP 13 1996

PURSUANT TO KRS 100.011,
 SECT. 3(1)
 BY: *[Signature]*
 FOR THE PUBLIC SERVICE COMMISSION

How to read your water bill

1. MONTGOMERY COUNTY WATER DISTRICT #1
4406 CAMARGO RD MT STERLING KY 40353

FORWARD & ADDRESS CORRECTION

FIRST CLASS MAIL
U.S. POSTAGE PAID

MT STERLING KY
PERMIT NO. 145
FIRST CLASS PRESORT

2. ACCOUNT NO. 02-1042 BILL DATE: 08/26/94 DUE DATE: 09/20/94

ITEM	AMOUNT	CODE	READING DATE	PREVIOUS READING	CURRENT READING	USAGE	UC	MR	AMOUNT
3. WATER	17.51	WT	07/22-08/20	67560	71200	3640			17.51
5. SEWER	17.29	SWR		6. 67560	7. 71200	8. 3640			17.29
UTIL-TAX	0.53								
UTILITY TAX	0.53								
FOR SERVICE AT: 4538 CAMARGO RD									
NET BILL DUE NOW 35.33		RESIDENTIAL		10. 37.07					9. 35.33
4538 CAMARGO RD RON WOODLEY									
GROSS BILL 37.07		02-1042							
DUE AFTER 09/20/94		RON WOODLEY							
X INVEN X		4538 CAMARGO RD							
X READING X		MT STERLING KY 40353							
RETURN STUB WITH PAYMENT									

1. Where to mail your bill/payment/stub.
2. Customer account number
3. Period for which you are billed
4. Name and address of customer
5. Codes for service (water and sewer)
6. & 7. Previous and present reading
8. Usage (in gallons)
9. & 10. Amount due before and after grace period

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 17 1996

PURSUANT TO KRS 202.0011
SECTION 6(1)

BY: *[Signature]*
FOR THE PUBLIC SERVICE COMMISSION